



CHADDS FORD TOWNSHIP SEWER AUTHORITY
REGULAR MEETING
JULY 17, 2018

Board Members: Mark Stookey
Dennis Henry
Robert Lohr
Ted Mennicke

Not Present: Amanda Konyk

Also Present: Valerie Hoxter, Sewer Authority Manager
Mike Sheridan, Solicitor
Mike DiSantis, DELCORA
Tom Leisse, Pennoni Associates
Samantha Reiner, Township Supervisor

ANNOUNCEMENTS

Chairman Stookey announced that Ms. Konyk was not able to attend the meeting. Attendance was taken with a quorum established.

MINUTES

Upon motion and second (Lohr/Henry) the minutes from the May 22, 2018 Regular Meeting were approved.

DELCORA

Mr. DiSantis presented his written report for the months of May and June 2018. For the month of May, there were three violations for weekly and monthly TSS concentration exceedances at the Ridings plant and operational changes have been implemented to resolve the issue. There were no violations at Turners Mill during May. There were no violations at either plant during June.

MANAGER

Ms. Hoxter presented her written report and updated the Board on the status of Springhill Farm's connection to Concord Township sewer system, including various meetings she attended with Concord Township, Pettinaro and Springhill Farm representatives. Ms. Hoxter, Mr. Lohr and the Solicitor updated the Board on Delcora's involvement in Springhill's connection and future operations. Due to Delcora's status as an Authority, it is no longer necessary for the Sewer Authority to be a party to an Inter-municipal Agreement with Concord Township. The agreement

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can now be between Delcora and Concord Township. Once the agreements between the parties are complete, the Sewer Authority will provide a Memo of Understanding to acknowledge the involved parties' responsibilities.

Ms. Hoxter also reviewed the final 2017 Annual Audit with the Board, including changes she requested to the Draft Audit. There were no findings and, after discussion with the auditors, it was suggested that the Authority formalize its custodial credit risk policy. Ms. Hoxter will prepare a written policy for the Board's review at a future meeting.

ENGINEER

Mr. Leisse presented his written report and updated the Board on the status and schedule for the Act 537 Plan Update project: final plans for Turners Mill expansion are complete; Mr. Leisse's office has contacted PaDEP and Part 2 and NPDES permit applications will be prepared for submission in July; the Estates Pump Station plans and specs will be prepared for August; force main routing plans are being finalized and will be prepared for the end of July. The PaDEP has informed Mr. Leisse that a pre-submission meeting is not required.

The Board discussed possible future EDU availability after the project is complete and whether or not Turners Mill can be expanded further. After discussion regarding EDU availability at this time, it was agreed there will be no additional EDUs/capacity made available until the Act 537 Plan Update improvements are complete. Mr. Stookey, Mr. Mennicke and Ms. Hoxter will meet to review how this relates to the Authority's billing policy.

SOLICITOR

Mr. Sheridan informed the Board that he and Ms. Hoxter will appear in District Court on July 24, 2018 for three delinquent accounts against which the Authority has filed suit.

ASSISTANT TREASURER

Ms. Hoxter presented the Assistant Treasurer's written report and reviewed cash balances. She further reported that a PLGIT CD for \$100,000.00 matured on May 24, 2018 and the Authority approved reinvestment of those funds at its May meeting. Ms. Hoxter reinvested in a nine month CD in order to ensure funds will be available for the Act 537 Plan Improvements Project if needed. The CD will mature on February 19, 2019 and has a rate of 2.4%. Ms. Hoxter requested a motion to ratify the re-investment, as approved by the Chairman and Treasurer.

Upon motion and second (Stookey/Mennicke) the Board ratified the purchase of a CD through PLGIT from Cornerstone Bank in the amount of \$100,000.00 on May 24, 2018.

Upon motion and second (Lohr/Mennicke) the Board approved ACH and check payments for June 2018 in the amount of \$29,031.21.



Upon motion and second (Lohr/Mennicke) the Board approved ACH and check payments for July 2018 in the amount of \$66,759.97.

Ms. Hoxter requested approval to transfer up to \$100,000.00 from the DNB Operating Account to the PLGIT I-Class Account before the Board's next meeting date, if necessary, in order to keep the Authority's DNB Bank total accounts balance below the FDIC insured limit of \$250,000.00.

Upon motion and second (Stookey/Lohr) the Board approved the transfer of up to \$100,000.00 from the DNB Operating Account to the PLGIT I-Class Account between July 17, 2018 and September 18, 2018, if necessary, to maintain a balance below \$250,000.00 in DNB accounts.

PUBLIC COMMENT

There was no public comment.

OLD BUSINESS

Ms. Hoxter provided a brief update on delinquent accounts.

Mr. Stookey reminded the Board that he was previously authorized to sign an Inter-municipal Agreement with Concord Township with respect to Springhill Farm's connection. It now appears there will be no such agreement with the Authority; however, should the need arise for the agreement it is the preference of the Chairman (and advice of the Solicitor) that a Special Meeting be held for the Board to review and approve the agreement.

Ms. Hoxter informed the Board there was no update on research into payment of the collection portion of EDUs by purchasers of Grace capacity. She has spoken with a previous employee, who has no recollection of users making payment of collection portion of EDUs, but will continue research and reach out to another former employee who may be able to help. The Board authorized hiring of temporary help if necessary.

Ms. Hoxter updated the Board on the Brandywine Summit II project, including recent information received, possible EDU calculations and the applicant's request for feedback. After discussion with the Board it was determined that the applicant must submit a Sewer Feasibility Application for the hotel.

NEW BUSINESS

Ms. Hoxter presented the Board with information about various financing opportunities for the Act 537 Plan Improvements Project including a federal loan program, a state loan program, Delaware Valley Regional Finance Authority (DVRFA), local banking sources and a possible loan from the Township in an amount totaling \$1 million which appears in their Capital Budget over a two year period. Mr. Sheridan informed the Board that based on the Authority's current Pennvest loan agreement, permission from Pennvest would be required for future borrowing.



Ms. Hoxter, Chairman Stookey and Mr. Leisse met with a USDA Rural Development Loan Program representative and the Authority has met preliminary loan qualifications. They have also met with DVRFA and Ms. Hoxter is attempting to schedule a meeting with Pennvest. After discussion among the Board and with Supervisor Reiner, it was determined Ms. Hoxter and Mr. Leisse will continue with the USDA loan application process as there are no fees associated with the loan. Supervisor Reiner will present information to the Board of Supervisors for their consideration of a loan to the Authority.

Upon motion and second (Lohr/Henry) the meeting was adjourned at 8:46 p.m.

Respectfully submitted,

Valerie Hoxter
Authority Manager